

## WIRRAL COUNCIL

### REGENERATION & ENVIRONMENT POLICY & PERFORMANCE COMMITTEE

22 JULY 2014

<b>SUBJECT</b>	<b>FINANCIAL MONITORING 2014/15 MONTH 2 (MAY 2014)</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF RESOURCES</b>

#### **1 EXECUTIVE SUMMARY**

- 1.1 This report sets out the financial monitoring information for this Committee in a format consistent across the Policy and Performance Committees. The report aims to give Members sufficient detail to scrutinise budget performance for the Directorate. Financial information for Month 2 (May 2014) which is being reported to Cabinet on 7 July is included.

#### **2 BACKGROUND AND KEY ISSUES**

- 2.1 Members of the Policy and Performance Committees have previously requested that financial monitoring information is provided as a standard item at each Committee.
- 2.2 Since September 2012 monthly revenue and capital monitoring reports have been submitted to Cabinet as a means of providing regular, detailed updates on budget performance.
- 2.3 The Coordinating Committee has agreed that in order to fulfil its corporate and strategic scrutiny role, it will continue to review the full versions of the most up to date monitor reports at its future scheduled meetings.

#### **3 REPORTING TO POLICY & PERFORMANCE COMMITTEES**

- 3.1 The relevant sections from the most recent revenue and capital monitoring reports reported to Cabinet are summarised into a bespoke report for each Policy and Performance Committee. This will include the following:
- Performance against revenue budget
  - Performance against in year efficiency targets
  - Performance against capital budget
- 3.2 The following sections have been extracted from the Financial Monitoring reports presented to Cabinet on 7 July 2014.

## PERFORMANCE AGAINST REVENUE BUDGETS MONTH 2 (MAY 2014)

### 3.3 CHANGES TO THE AGREED BUDGET

#### 3.3.1 2014/15 Original & Revised Net Budget £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 1-2	Revised Net Budget
Regeneration & Environment	95,190	-	-	95,190
<b>Net Cost of Services</b>	<b>95,190</b>	<b>0</b>	<b>0</b>	<b>95,190</b>

#### 3.3.2 Changes to the Budget agreed since the 2014/15 Budget was set

Items	£m
None Applicable	-

3.3.3 There have been no budget movements between directorates in the first two months of the year.

### 3.4 VARIATIONS

3.4.1 The report will use RAGBY ratings that will highlight under and overspends and place them into 'risk bands'. The 'risk band' classification is:

- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
- Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

#### 3.4.2 2014/15 Projected Budget variations £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 2	RAGBY Classification	Change from prev mnth
Regeneration & Environment	95,190	95,190	0	G	-
<b>TOTAL</b>	<b>95,190</b>	<b>95,190</b>	<b>0</b>		<b>0</b>

#### 3.4.3 RAGBY full details

Department	Number of Budget Areas	RAGBY Classification				
		Red	Amber	Green	Blue	Yellow
Regeneration & Environment	5	0	0	5	0	0
<b>Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>

Below is a breakdown of the Budget Areas within Regeneration and Environment with their RAGBY ratings.

	RAGBY
Environment & Regulation	Green
Housing & Community Safety	Green
Regeneration	Green
Directorate Support	Green
Investment Strategy & Business Support	Green
Total	

3.4.4 At this early stage of the financial year, there are no major budgetary issues to report within the Regeneration & Environment Directorate. The Directorate remains on course to meet its 2014-15 financial targets.

### 3.5 IMPLEMENTATION OF 2014/15 SAVINGS

#### 3.5.1 Budget Implementation Plan 2014/15 £000's

BRAG	Number of Options	Approved Budget Reduction	Amount Delivered at May	To be Delivered
B - delivered	10	3,353	3,353	0
G – on track	7	1,171	1,156	15
A - concerns	1	40	0	40
R - high risk/ not achieved	0	0	0	0
<b>Total at M02 May</b>	<b>18</b>	<b>4,564</b>	<b>4,509</b>	<b>55</b>

3.5.2 No savings options are currently rated red. A single option is rated at amber. This relates to the Birkenhead Kennels transfer option where implementation is likely to be in September resulting in a shortfall for the period until implementation. Compensatory savings will be identified by the directorate to bridge any budget gap in 2014/15.

### 3.6 PERFORMANCE AGAINST CAPITAL BUDGETS MONTH 2 (MAY 2014)

#### 3.6.1 Table 1: Capital Budget

	Capital strategy	Re-profiling	Other changes to be noted	Revised Capital Programme	Actual Expenditure May 2014
Regeneration & Environment – Environment & Regulation	7,850	1,715	1,203	10,768	73
Regeneration & Environment – Housing & Community Safety	5,972	2,682	0	8,654	297

Regeneration & Environment – Regeneration	5,479	474	3,400	9,353	123
<b>Total expenditure</b>	<b>19,301</b>	<b>4,871</b>	<b>4,603</b>	<b>28,775</b>	<b>493</b>

Significant variations to be approved or noted by Cabinet for Period 2 are set out in the following table.

**Table 2: Significant variations to the 2014/15 programme £000's**

	<b>Changes to be noted</b>	<b>Explanation (A) Policy (B) Items previously deferred (C) Funding (D) Re-profiling (E) Reduced requirement</b>
Regeneration – Environment & Regulation	802	Allocation of revised grant notifications (C).
	401	Transfer of responsibility for a number of Public Health funded schemes (A).
Regeneration – Housing & Community Safety	3,000	Estimate of potential Regional Growth funding from Local Enterprise Partnership (C)
<b>Total Significant Variations</b>	<b>4,203</b>	

### 3.6.2 Environment and Regulation

The two major programmes relate to Highway Maintenance for which the annual programme has been drawn up with schemes now progressing and no significant issues are anticipated. As for the Bridges programme, most schemes will be completed. The Dell underpass is complete but some contingency is retained in case of any future commercial dispute and work on National Rail bridges is subject to agreement of that organisation. There is therefore the possibility that there may be slippage to 2015/16, in total £0.284 million.

#### **Housing & Community Safety**

Disabled Facilities Grants continue to be approved and the spend committed but the incurring of this spend is determined by the grant applicants which means that there will invariably be works approved but will not be completed until the following year.

The framework for the use of the £1.5m allocated to stimulate affordable housing building in Wirral was approved by this Committee in April.

## **Regeneration**

The Council's Regional Growth Fund grant supports investment into the offshore renewable energy sector. With applications being approved the companies are only paid upon defrayment.

### **4 RELEVANT RISKS**

4.1 There are none relating to this report.

### **5 OTHER OPTIONS CONSIDERED**

5.1 Any option to improve the monitoring and budget accuracy will be considered.

### **6 CONSULTATION**

6.1 No consultation has been carried out in relation to this report.

### **7 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

7.1 There are no implications arising directly from this report.

### **8 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS**

8.1 In respect of the Revenue Budget the Regeneration and Environment Directorate is projecting a break even position as at the 31 May 2014.

### **9 LEGAL IMPLICATIONS**

9.1 There are no implications arising directly from this report.

### **10 EQUALITIES IMPLICATIONS**

10.1 The report is for information and there are no direct equalities implications at this stage.

### **11 CARBON REDUCTION IMPLICATIONS**

11.1 There are no implications arising directly from this report.

### **12 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

12.1 There are no implications arising directly from this report.

### **13 RECOMMENDATIONS**

13.1 Members are requested to review the information presented to determine if they have any specific questions relating to the budget for the Transformation and Resources Directorate.

## 14 REASONS FOR THE RECOMMENDATIONS

14.1 To ensure Members have the appropriate information to review the budget performance of the directorate.

**REPORT AUTHOR** Peter Molyneux  
Telephone (0151) 666 3389  
E-mail petemolyneux@wirral.gov.uk

### APPENDICES

Extracted from the Capital Monitoring report to Cabinet on 7 July 2014:-  
Annex 1 Proposed Capital Programme and Funding Cabinet March 2014

### SUBJECT HISTORY

<b>Council Meeting</b>	<b>Date</b>
Monthly financial monitoring reports for Revenue and Capital have been presented to Cabinet since September 2012.	

## Annex 1 Revised Capital Programme 2014/15

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
<b>Regeneration and Environment - Environment &amp; Regulation</b>						
Road Safety	755	84	117	638		755
Congestion	358	-60	3	355		358
Active Travel	935	-29	505	430		935
Transportation	321	11	91	230		321
Local Sustainable Transport Fund	486	-89		486		486
Bridges	1,586	80	736	850		1,586
Highways Maintenance	3,069	-23	777	2,292		3,069
Street Lighting	288	39	88	200		288
Coast Protection	224	-23	201	23		224
Asset Management	84	-71		84		84
Parks Plant and Equipment	728	100	728			728
Parks vehicles replacement	988	26	988			988
Arrove Park Changing pavilion	144	28	144			144
Landican Cemetery	71		71			71
Birkenhead Park Restoration Fees	97		97			97
Hoylake Golf Course	30		30			30
Park Outdoor Gyms	2			2		2
Reeds Lane Play Area	60			60		60
Royden Park	14			14		14
Allotments	168		168			168
Start Active, Play Active, Stay active	230		230			230
Wirral Way - widening and safety improvements	130		130			130
	<b>10,768</b>	<b>73</b>	<b>5,104</b>	<b>5,664</b>	<b>0</b>	<b>10,768</b>
<b>Regeneration and Environment - Housing &amp; Community Safety</b>						
Aids, Adaptations and Disabled Facility Grants	3,503	189	1,873	1,630		3,503
Clearance Approved Cabinet	1,521	11	705	741	75	1,521
Home Improvement Approved Cabinet	707	65	506	201		707
Improvement for sale grants	200				200	200
Empty Property Interventions	230	13	170		60	230
Housing Renewal	698		478	220		698
New House Building Programme	1,500		1,500			1,500
Cosy Homes Heating	30	19	30			30
The Priory	265			265		265
	<b>8,654</b>	<b>297</b>	<b>0</b>	<b>5,262</b>	<b>335</b>	<b>8,654</b>
<b>Regeneration and Environment - Regeneration</b>						
Business Investment Grants	508		508			508
Other Regional Growth Fund Schemes	4,697	123		4,697		4,697
LEP Regional Growth Fund Schemes - Targetted Assistance	3,000			3,000		3,000
New Brighton	1,111		1,111			1,111
Floral Pavilion Stage & Orchestra Pit	37		37			37
	<b>9,353</b>	<b>123</b>	<b>1,656</b>	<b>7,697</b>	<b>0</b>	<b>9,353</b>